



February 22, 2001

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## HOUSE BILL No. 1846

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DIGEST OF HB 1846 (Updated February 21, 2001 12:13 PM - DI 103)

**Citations Affected:** IC 6-1.1; IC 32-2; noncode.

**Synopsis:** Tax sales and redemption from tax sales. Specifies certain information to be included in the tax sale list, tax sale notice, certificate of sale, and tax sale record. Requires pre-sale and post-sale publications in accordance with IC 5-3-1-4. Provides that certain notices must be sent to at least one of multiple owners, and that a notice is considered sufficient if the notice is mailed to the correct address. Changes the amount of damages allowed to a holder of a certificate of sale under an incorrect county treasurer guarantee. Permits any person to redeem real property sold at tax sale. Makes certain amendments concerning: (1) the timing of redemption and the amount required to redeem; (2) the timing, mailing, and content of the post-sale notice; and (3) the issuance of tax deeds. With respect to an invalid tax sale, specifies amounts to be refunded to the purchaser and requires a political subdivision to reimburse the county for interest paid to the tax sale purchaser under certain circumstances. Amends the circumstances under which purchase money is refunded to a tax sale purchaser. Establishes requirements for filing a tax sale surplus disclosure form, and specifies the information to be included on the form.

**Effective:** July 1, 2001.

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**Brown C, Goeglein**

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January 17, 2001, read first time and referred to Committee on Ways and Means.  
February 21, 2001, reported — Do Pass.

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HB 1846—LS 6698/DI 52+



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February 22, 2001

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## HOUSE BILL No. 1846

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-1.1-24-1 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. (a) On or before July  
3 1 of each year, the county treasurer shall certify to the county auditor  
4 a list of real property on which any of the following exist:

5 (1) Any property taxes or special assessments certified to the  
6 county auditor for collection by the county treasurer from the  
7 prior year's spring installment or before are delinquent as  
8 determined under IC 6-1.1-37-10.

9 (2) Any unpaid costs are due under section 2(b) of this chapter  
10 from a prior tax sale.

11 (b) The county auditor shall maintain a list of all real property  
12 eligible for sale. Unless the taxpayer pays to the county treasurer the  
13 amounts in subsection (a), the taxpayer's property shall remain on the  
14 list. **The list must:**

15 (1) **describe the real property by parcel number and common**  
16 **address, if any;**

17 (2) **for a tract or item of real property with a single owner,**

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1 indicate the name of the owner; and

2 **(3) for a tract or item with multiple owners, indicate the name**  
 3 **of at least one (1) of the owners.**

4 (c) Except as otherwise provided in this chapter, the real property  
 5 so listed is eligible for sale in the manner prescribed in this chapter.

6 **(d) Not later than fifteen (15) days after the date of the county**  
 7 **treasurer's certification under subsection (a), the county auditor**  
 8 **shall mail by certified mail a copy of the list described in subsection**  
 9 **(b) to each mortgagee who requests from the county auditor by**  
 10 **certified mail a copy of the list. Failure of the county auditor to**  
 11 **mail the list under this subsection does not invalidate an otherwise**  
 12 **valid sale.**

13 SECTION 2. IC 6-1.1-24-2 IS AMENDED TO READ AS  
 14 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2. (a) In addition to the  
 15 delinquency list required under section 1 of this chapter, each county  
 16 auditor shall prepare a notice. The notice shall contain the following:

17 (1) A list of tracts or real property eligible for sale under this  
 18 chapter.

19 (2) A statement that the tracts or real property included in the list  
 20 will be sold at public auction to the highest bidder, **subject to the**  
 21 **right of redemption.**

22 (3) A statement that the tracts or real property will not be sold for  
 23 an amount which is less than the sum of:

24 (A) the delinquent taxes and special assessments on each tract  
 25 or item of real property;

26 (B) the taxes and special assessments on each tract or item of  
 27 real property that are due and payable in the year of the sale,  
 28 whether or not they are delinquent;

29 (C) all penalties due on the delinquencies;

30 (D) an amount prescribed by the county auditor that equals the  
 31 sum of:

32 (i) twenty-five dollars (\$25) for postage and publication  
 33 costs; and

34 (ii) any other actual costs incurred by the county that are  
 35 directly attributable to the tax sale; and

36 (E) any unpaid costs due under subsection (b) from a prior tax  
 37 sale.

38 (4) A statement that a person redeeming each tract or item of real  
 39 property after the sale must pay: ~~an~~

40 **(A) one hundred ten percent (110%) of the amount of the**  
 41 **minimum bid for which the tract or item of real property**  
 42 **was offered at the time of sale if the tract or item of real**

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property is redeemed not more than six (6) months after the date of sale;

(B) one hundred fifteen percent (115%) of the amount of the minimum bid for which the tract or item of real property was offered at the time of sale if the tract or item of real property is redeemed more than six (6) months after the date of sale;

(C) the amount by which the purchase price exceeds the minimum bid on the tract or item of real property plus ten percent (10%) per annum on the amount by which the purchase price exceeds the minimum bid; and

(D) all taxes and special assessments on the tract or item of real property paid by the purchaser after the tax sale plus interest ~~charge at the rate~~ of ten percent (10%) per annum on the amount of taxes and special assessments paid by the purchaser on the redeemed property. ~~after the tax sale.~~

(5) A statement for informational purposes only, of the location of each tract or item of real property by key number, if any, and street address, if any, or a common description of the property other than a legal description. The township assessor, upon written request from the county auditor, shall provide the information to be in the notice required by this subsection. A misstatement in the key number or street address does not invalidate an otherwise valid sale.

(6) **A statement that the county does not warrant the accuracy of the street address or common description of the property.**

(7) A statement indicating:

(A) the name of the owner of each tract or item of real property with a single owner; or

(B) the name of at least one (1) of the owners of each tract or item of real property with multiple owners.

~~(7)~~ (8) A statement of the procedure to be followed for obtaining or objecting to a judgment and order of sale, that must include the following:

(A) A statement:

- (i) that the county auditor and county treasurer will apply on or after a date designated in the notice for a court judgment against the tracts or real property for an amount that is not less than the amount set under subdivision (3), and for an order to sell the tracts or real property at public auction to the highest bidder, **subject to the right of redemption; and**
- (ii) indicating the date when the period of redemption

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specified in IC 6-1.1-25-4 will expire.

(B) A statement that any defense to the application for judgment must be filed with the court before the date designated as the earliest date on which the application for judgment may be filed.

(C) A statement that the court will set a date for a hearing at least seven (7) days before the advertised date and that the court will determine any defenses to the application for judgment at the hearing.

~~(8)~~ (9) A statement that the sale will be conducted at a place designated in the notice and that the sale will continue until all tracts and real property have been offered for sale.

~~(9)~~ (10) A statement that the sale will take place at the times and dates designated in the notice. Except as provided in section 5.5 of this chapter, the sale must take place on or after August 1 and before November 1 of each year.

~~(10)~~ (11) A statement that a person redeeming each tract or item after the sale must pay the costs described in ~~IC 6-1.1-25-2(d)~~. IC 6-1.1-25-2(e).

~~(11)~~ (12) If a county auditor and county treasurer have entered into an agreement under IC 6-1.1-25-4.7, a statement that the county auditor will perform the duties of the notification and title search under IC 6-1.1-25-4.5 and the notification and petition to the court for the tax deed under IC 6-1.1-25-4.6.

**(13) A statement that, if the tract or item of real property is sold for an amount more than the minimum bid and the property is not redeemed, the owner of record of the tract or item of real property who is divested of ownership at the time the tax deed is issued may have a right to the tax sale surplus.**

(b) If within sixty (60) days before the date of the tax sale the county incurs costs set under subsection (a)(3)(D) and those costs are not paid, the county auditor shall enter the amount of costs that remain unpaid upon the tax duplicate of the property for which the costs were set. The county treasurer shall mail notice of unpaid costs entered upon a tax duplicate under this subsection to the owner of the property identified in the tax duplicate.

(c) The amount of unpaid costs entered upon a tax duplicate under subsection (b) must be paid no later than the date upon which the next installment of real estate taxes for the property is due. Unpaid costs entered upon a tax duplicate under subsection (b) are a lien against the property described in the tax duplicate, and amounts remaining unpaid on the date the next installment of real estate taxes is due may be

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collected in the same manner that delinquent property taxes are collected.

SECTION 3. IC 6-1.1-24-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. (a) When real property is eligible for sale under this chapter, the county auditor shall post a copy of the notice required by sections 2 and 2.2 of this chapter at a public place of posting in the county courthouse **or in another public county building** at least twenty-one (21) days before the earliest date of application for judgment. In addition, the county auditor shall, **in accordance with IC 5-3-1-4**, publish the notice required in sections 2 and 2.2 of this chapter ~~in the manner prescribed in IC 6-1.1-22-4(b)~~ once each week for three (3) consecutive weeks before the earliest date on which the application for judgment may be made. The expenses of this publication shall be paid out of the county general fund without prior appropriation.

(b) At least twenty-one (21) days before the application for judgment is made, the county auditor shall mail a copy of the notice required by sections 2 and 2.2 of this chapter by certified mail, return receipt requested, to any mortgagee who annually requests, by certified mail, a copy of the notice. However, the failure of the county auditor to mail this notice or its nondelivery does not affect the validity of the judgment and order.

(c) The advertisement published under section 4(b) of this chapter is considered sufficient notice of the intended application for judgment and of the sale of real property under the order of the court.

SECTION 4. IC 6-1.1-24-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4. (a) Not less than twenty-one (21) days before the earliest date on which the application for judgment and order for sale of real property eligible for sale may be made, the county auditor shall send a notice of the sale by certified mail to:

(1) the owner ~~or of record of real property with a single owner;~~  
or

(2) to at least one (1) of the owners of the real property at their last known address: **with multiple owners;**

**at the last address of the owner for the property as indicated in the records of the county auditor.** The county auditor shall prepare the notice in the form prescribed by the state board of accounts. The notice must set forth the key number, if any, of the real property and a street address, if any, or other common description of the property other than a legal description. The notice must include the statement set forth in section 2(a)(4) of this chapter. The county auditor must present proof

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of this mailing to the court along with the application for judgment and order for sale. Failure by an owner to receive or accept the notice required by this section does not affect the validity of the judgment and order. **The owner of real property shall notify the county auditor of the owner's correct address. The notice required under this section is considered sufficient if the notice is mailed to the address required by this section.**

(b) This subsection applies to a county having a consolidated city. In addition to the notice required under subsection (a) for real property on the list prepared under section 1.5(e) of this chapter, the county auditor shall prepare and mail the notice required under section 2.2 of this chapter no later than August 15 in the year in which the property is to be sold under this chapter.

(c) On or before the day of sale, the county auditor shall list, on the tax sale record required by IC 6-1.1-25-8, all properties that will be offered for sale.

SECTION 5. IC 6-1.1-24-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 5. (a) When a tract or an item of real property is subject to sale under this chapter, it must be sold in compliance with this section.

(b) The sale must:

- (1) be held at the times and place stated in the notice of sale; and
- (2) except as provided in section 5.5 of this chapter, not extend beyond October 31 of the year of sale.

(c) A tract or an item of real property may not be sold under this chapter to collect:

- (1) delinquent personal property taxes; or
- (2) taxes or special assessments which are chargeable to other real property.

(d) A tract or an item of real property may not be sold under this chapter if all the delinquent taxes, penalties, and special assessments on the tract or an item of real property and the amount prescribed by section 2(a)(3)(D) of this chapter, reflecting the costs incurred by the county due to the sale, are paid before the time of sale.

(e) The county treasurer shall sell the tract or real property, **subject to the right of redemption**, to the highest bidder at public auction. However, a tract or an item of real property may not be sold for an amount which is less than the sum of:

- (1) the delinquent taxes and special assessments on each tract or item of real property;
- (2) the taxes and special assessments on each tract or item of real property that are due and payable in the year of the sale,

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regardless of whether the taxes and special assessments are delinquent;

(3) all penalties which are due on the delinquencies;

(4) the amount prescribed by section 2(a)(3)(D) of this chapter reflecting the costs incurred by the county due to the sale;

(5) any unpaid costs which are due under section 2(b) of this chapter from a prior tax sale; and

(6) other reasonable expenses of collection, including title search expenses, uniform commercial code expenses, and reasonable attorney's fees incurred by the date of the sale.

(f) For purposes of the sale, it is not necessary for the county treasurer to first attempt to collect the real property taxes or special assessments out of the personal property of the owner of the tract or real property.

(g) The county auditor shall serve as the clerk of the sale.

SECTION 6. IC 6-1.1-24-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 7. (a) When real property is sold under this chapter, the purchaser at the sale shall immediately pay the amount of ~~his~~ **the** bid to the county treasurer. The county treasurer shall apply the payment in the following manner:

(1) first, to the taxes, special assessments, penalties, and costs described in section 5(e) of this chapter;

(2) second, to other delinquent property taxes in the manner provided in IC 6-1.1-23-5(b); and

(3) third, to a separate "tax sale surplus fund".

(b) The:

(1) owner of record **of the real property at the time the tax deed is issued** who is divested of ~~the owner's property ownership~~ by the issuance of a tax deed; ~~to the tax sale purchaser; or~~

(2) tax sale purchaser or purchaser's assignee, upon redemption of the tract or item of real property; ~~or~~

(3) ~~person with a substantial property interest of public record, as defined in section 1-9 of this chapter and as evidenced by the issuance of a tax deed to a tax sale purchaser, in a county:~~

(A) ~~having a population of more than two hundred thousand (200,000) but less than four hundred thousand (400,000);~~

(B) ~~having a consolidated city; or~~

(C) ~~in which the county auditor and the county treasurer have an agreement under IC 6-1.1-25-4.7;~~

may file a verified claim for money which is deposited in the tax sale surplus fund. If the claim is approved by the county auditor and the county treasurer, the county auditor shall issue a warrant to a ~~person~~

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described in subdivisions (1) through (3) the claimant for the amount due.

(c) If the person described in subsection (b)(1) acquired the property from a delinquent taxpayer after the property was sold at a tax sale under this chapter, the county auditor may not issue a warrant to the person unless the person is named on a tax sale surplus fund disclosure form filed with the county auditor under IC 32-2-8.

(d) An amount deposited in the tax sale surplus fund shall be transferred by the county auditor to the county general fund and may not be disbursed under subsection (b) if it is not claimed within the three (3) year period after the date of its receipt.

(e) If an amount applied to taxes under this section is later paid out of the county general fund to the purchaser or his the purchaser's successor due to the invalidity of the sale, all the taxes shall be reinstated and recharged to the tax duplicate and collected in the same manner as if the property had not been offered for sale.

(f) When a refund is made to any purchaser or his purchaser's successor by reason of the invalidity of a sale, the county auditor shall, at the December settlement immediately following the refund, deduct the amount of the refund from the gross collections in the taxing district in which the land lies and shall pay that amount into the county general fund.

SECTION 7. IC 6-1.1-24-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 8. When one who purchases real property at a tax sale fails to pay his the bid, the real property shall again be offered for sale. A purchaser who fails to pay his the bid shall pay a penalty of twenty-five percent (25%) of the amount of his the bid. The county prosecuting attorney shall initiate an action in the name of the state treasurer to recover the penalty. Amounts collected under this section shall be deposited in the common school fund of this state.

SECTION 8. IC 6-1.1-24-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 9. (a) Immediately after a tax sale purchaser pays his the bid, as evidenced by the receipt of the county treasurer, or immediately after the county acquires a lien under section 6 of this chapter or a city acquires a lien under section 6.6 of this chapter, the county auditor shall deliver a certificate of sale to the purchaser or to the county or to the city. The certificate shall be signed by the auditor and registered in his the auditor's office. The certificate shall contain:

(1) a description of real property which corresponds to the

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description used on the notice of sale;

(2) the name of:

(A) the ~~former owner, if known~~ **owner of record at the time of the sale of real property with a single owner; or**

(B) **at least one (1) of the owners of real property with multiple owners;**

(3) **the mailing address of the owner of the real property sold as indicated in the records of the county auditor;**

(4) the name of the purchaser;

~~(4)~~ (5) the date of sale;

~~(5)~~ (6) the amount for which the real property was sold;

~~(6)~~ (7) the amount of the minimum bid for which the tract or real property was offered at the time of sale as required by section 5 of this chapter; ~~and~~

~~(7)~~ (8) the date when the ~~purchaser is first entitled to request a deed to the property.~~ **period of redemption specified in IC 6-1.1-25-4 will expire;**

(9) **the court cause number under which judgment was obtained; and**

(10) **the street address, if any, or common description of the real property.**

(b) When a certificate of sale is issued under this section, the purchaser acquires a lien against the real property for the entire amount ~~that he~~ paid. The lien of the purchaser is superior to all liens against the real property which exist at the time the certificate is issued.

(c) A certificate of sale is assignable. However, an assignment is not valid unless it is endorsed on the certificate of sale, acknowledged before an officer authorized to take acknowledgments of deeds, and registered in the office of the county auditor. When a certificate of sale is assigned, the assignee acquires the same rights and obligations that the original purchaser acquired.

SECTION 9. IC 6-1.1-24-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 10. (a) When a certificate of sale is issued under section 9 of this chapter, the county treasurer shall indorse upon, or attach to, the certificate of sale a written guarantee which is signed by ~~him~~ **the treasurer** and which warrants:

(1) that the taxes and special assessments upon the real property described in the certificate of sale are delinquent and were unpaid at the time of sale; and

(2) that the real property is eligible for sale under this chapter.

(b) If the county treasurer, before the time of making the guarantee

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1 required by this section, received payment of the delinquent taxes or  
 2 special assessments for which the real property was sold, the holder of  
 3 the certificate ~~may initiate an action upon the written guarantee or upon~~  
 4 ~~the official bond of the county treasurer.~~ If an action is initiated under  
 5 this section, the measure of damages is double the amount paid by the  
 6 holder of the certificate plus legal interest on that amount. **is entitled**  
 7 **to the amount due for an invalid sale under IC 6-1.1-25-10.**

8 SECTION 10. IC 6-1.1-25-1 IS AMENDED TO READ AS  
 9 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 1. ~~An occupant or Any~~  
 10 ~~person with a substantial property interest of public record (as defined~~  
 11 ~~in IC 6-1.1-24-1.9) in a tract sold under IC 6-1.1-24 may redeem the~~  
 12 ~~tract or real property sold under IC 6-1.1-24 at any time before the~~  
 13 ~~date when the county auditor is required to issue a tax deed under~~  
 14 ~~section 4 of this chapter expiration of the period of redemption~~  
 15 **specified in section 4 of this chapter** by paying to the county treasurer  
 16 the amount required for redemption under section 2 of this chapter.

17 SECTION 11. IC 6-1.1-25-2 IS AMENDED TO READ AS  
 18 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2. (a) The total amount  
 19 of money required for the redemption of real property equals the sum  
 20 of the amounts prescribed in subsections (b) through (e) reduced by  
 21 any amounts held in the name of the taxpayer or the purchaser in the  
 22 tax sale surplus fund.

23 (b) The total amount required for redemption includes:

- 24 (1) one hundred ten percent (110%) of the minimum bid for  
 25 which the tract or real property was offered at the time of sale, as  
 26 required by IC 6-1.1-24-5, if the tract or item of real property is  
 27 redeemed not more than six (6) months after the date of sale; **or**  
 28 (2) one hundred fifteen percent (115%) of the minimum bid for  
 29 which the tract or real property was offered at the time of sale, as  
 30 required by IC 6-1.1-24-5, if the tract or item of real property is  
 31 redeemed more than six (6) months but not more than one (1)  
 32 year after the date of sale. ~~or~~  
 33 (3) ~~one hundred twenty-five percent (125%) of the minimum bid~~  
 34 ~~for which the tract or real property was offered at the time of sale;~~  
 35 ~~as required by IC 6-1.1-24-5, if the tract or item of real property~~  
 36 ~~is redeemed more than one (1) year after the date of sale.~~

37 (c) In addition to the amount required under subsection (b), the total  
 38 amount required for redemption includes the amount by which the  
 39 purchase price exceeds the minimum bid on the real property plus ten  
 40 percent (10%) per annum on the amount by which the purchase price  
 41 exceeds the minimum bid on the property.

42 (d) In addition to the amount required under ~~subsection~~ **subsections**



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(b) and (c), the total amount required for redemption includes all taxes and special assessments upon the property paid by the purchaser ~~subsequent to~~ **after** the sale plus ten percent (10%) interest per annum on those taxes and special assessments.

(e) In addition to the amounts required under subsections (b), (c), and (d), the total amount required for redemption includes the following costs, **if certified before redemption by the payor to the county auditor on a form prescribed by the state board of accounts, that were** incurred and paid by the purchaser or the purchaser's assignee **or the county before redemption:**

(1) The costs of giving notice under ~~sections~~ **section 4.5 and 4.6** of this chapter.

(2) ~~Filing fees paid in the filing of a petition for a tax deed under section 4.6 of this chapter.~~

~~(3)~~ **(2)** The costs of **a title search or of** examining and updating the abstract of title for the tract or item of real property.

SECTION 12. IC 6-1.1-25-2.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 2.5. (a) A county auditor may petition a court issuing judgments and orders for sale in the county under ~~this chapter~~ **IC 6-1.1-24** to establish a schedule of reasonable and customary ~~fees costs~~ that apply to a purchaser **or purchaser's assignee** who submits a claim for reimbursement upon redemption. ~~by the property owner.~~

(b) When a court provides a schedule as described in subsection (a), the county auditor may not reimburse ~~expenses at a rate~~ **costs in an amount** higher than the ~~rate published~~ **costs provided** in the schedule, except as provided in subsection (c).

(c) A purchaser **or purchaser's assignee** may petition the court for a higher rate of reimbursement than the rate found on a schedule ~~published~~ **provided** under subsection (a). The court shall grant the petition if the court finds that the ~~purchaser's~~ claim is based on reasonable and customary ~~fees costs~~.

SECTION 13. IC 6-1.1-25-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. When real property is redeemed and the certificate of sale is surrendered to the county auditor, the auditor shall issue a warrant to the ~~person surrendering the certificate~~ **purchaser or purchaser's assignee** in an amount equal to the amount received by the county treasurer for redemption. The county auditor shall indorse the certificate and preserve it as a public record. If a certificate of sale is lost and the auditor is satisfied that the certificate did exist, the county auditor may make payment to the ~~proper person~~ **purchaser or purchaser's assignee** in the manner



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provided in this section.

SECTION 14. IC 6-1.1-25-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4. (a) ~~If a certificate of sale is issued to a purchaser under IC 6-1.1-24-9 and the real property is not redeemed within:~~ **The period for redemption of real property sold under IC 6-1.1-24 is:**

- (1) one (1) year after the date of sale;
- (2) one hundred twenty (120) days after the county acquires a lien on the property under IC 6-1.1-24-6;
- (3) one hundred twenty (120) days ~~from~~ **after** the date of sale to a purchasing agency qualified under IC 36-7-17;
- (4) one hundred twenty (120) days ~~from~~ **after** the date of sale of real property on the list prepared under IC 6-1.1-24-1.5; or
- (5) one hundred twenty (120) days after the date of sale under IC 6-1.1-24-5.5(b).

~~as extended by compliance with the notice provisions in section 4.5 of this chapter, the county auditor shall, upon receipt of the certificate and subject to the limitations contained in this chapter, execute and deliver a deed for the property to the purchaser. If a certificate of sale is issued to a county under IC 6-1.1-24-9 and the real property is not redeemed within one (1) year after the date of sale, the county auditor shall, upon receipt of the certificate and subject to the limitations contained in this chapter, issue a deed for the property to the county. The county auditor shall execute deeds issued under this section in the name of the state under the county auditor's name and seal. If a certificate of sale is lost before the execution of a deed, the county auditor shall, subject to the limitations in this chapter, execute and deliver a deed if the court has made a finding that the certificate did exist.~~

(b) When a deed for real property is executed under this ~~section,~~ **chapter**, the county auditor shall cancel the certificate of sale and file the canceled certificate in ~~his~~ **the** office **of the county auditor**. If real property that appears on the list prepared under IC 6-1.1-24-1.5 is offered for sale and an amount that is at least equal to the minimum sale price required under IC 6-1.1-24-5(e) is not received, the county auditor shall issue a deed to the real property in the manner provided in IC 6-1.1-24-6.5.

(c) When a deed is issued to a county under this ~~section,~~ **chapter**, the taxes and special assessments for which the real property was offered for sale, and all subsequent taxes, special assessments, interest, penalties, and cost of sale shall be removed from the tax duplicate in the same manner that taxes are removed by certificate of error.

(d) A tax deed executed under this ~~section~~ **chapter** vests in the



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1 grantee an estate in fee simple absolute, free and clear of all liens and  
 2 encumbrances created or suffered before or after the tax sale except  
 3 those liens granted priority under federal law and the lien of the state  
 4 or a political subdivision for taxes and special assessments which  
 5 accrue subsequent to the sale and which are not removed under  
 6 subsection (c). However, the estate is subject to:

- 7 (1) all easements, covenants, declarations, and other deed
- 8 restrictions **shown by public records; and**
- 9 (2) laws, ~~governing land use,~~ **ordinances, and regulations**
- 10 **concerning governmental police powers,** including ~~all~~ zoning,
- 11 ~~restrictions building, land use, improvements on the land, land~~
- 12 **division, and environmental protection; and**
- 13 (3) liens and encumbrances created or suffered by the ~~purchaser~~
- 14 ~~at the tax sale:~~ **grantee.**

15 (e) ~~The A tax deed executed under this chapter~~ is prima facie  
 16 evidence of:

- 17 (1) the regularity of the sale of the real property described in the
- 18 deed;
- 19 (2) the regularity of all proper proceedings; and
- 20 (3) valid title in fee simple in the grantee of the deed.

21 ~~(e) Notwithstanding the provisions of subsection (a);~~

22 (f) A county auditor is not required to execute a deed to the county  
 23 under ~~subsection (a)~~ **this chapter** if the county executive determines  
 24 that the property involved contains hazardous waste or another  
 25 environmental hazard for which the cost of abatement or alleviation  
 26 will exceed the fair market value of the property. The county may enter  
 27 the property to conduct environmental investigations.

28 ~~(f)~~ (g) If the county executive makes the determination under  
 29 subsection (e) as to any interest in an oil or gas lease or separate  
 30 mineral rights, the county treasurer shall certify all delinquent taxes,  
 31 interest, penalties, and costs assessed under IC 6-1.1-24 to the clerk,  
 32 following the procedures in IC 6-1.1-23-9. After the date of the county  
 33 treasurer's certification, the certified amount is subject to collection as  
 34 delinquent personal property taxes under IC 6-1.1-23. Notwithstanding  
 35 IC 6-1.1-4-12.4 and IC 6-1.1-4-12.5, the assessed value of such an  
 36 interest shall be zero (0) until production commences.

37 SECTION 15. IC 6-1.1-25-4.1 IS AMENDED TO READ AS  
 38 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4.1. (a) If, as provided  
 39 in section ~~4(e)~~ **4(f)** of this chapter, the county auditor does not issue a  
 40 deed to the county for property for which a certificate of sale has been  
 41 issued to the county under IC 6-1.1-24-9 because the county executive  
 42 determines that the property contains hazardous waste or another



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1 environmental hazard for which the cost of abatement or alleviation  
 2 will exceed the fair market value of the property, the property may be  
 3 transferred consistent with the provisions of this section.

4 (b) A person who desires to obtain title to and eliminate the  
 5 hazardous conditions of property containing hazardous waste or  
 6 another environmental hazard for which a county holds a certificate of  
 7 sale but to which a deed may not be issued to the county under section  
 8 ~~4(e)~~ 4(f) of this chapter may file a petition with the county auditor  
 9 seeking a waiver of the delinquent taxes, special assessments, interest,  
 10 penalties, and costs assessed against the property and transfer of the  
 11 title to the property to the petitioner. The petition must:

12 (1) be on a form prescribed by the state board of accounts and  
 13 approved by the state board of tax commissioners;

14 (2) state the amount of taxes, special assessments, penalties, and  
 15 costs assessed against the property for which a waiver is sought;

16 (3) describe the conditions existing on the property that have  
 17 prevented the sale or the transfer of title to the county;

18 (4) describe the plan of the petitioner for elimination of the  
 19 hazardous condition on the property under IC 13-25-5 and the  
 20 intended use of the property; and

21 (5) be accompanied by a fee established by the county auditor for  
 22 completion of a title search and processing.

23 (c) Upon receipt of a petition described in subsection (b), the county  
 24 auditor shall review the petition to determine whether the petition is  
 25 complete. If the petition is not complete, the county auditor shall return  
 26 the petition to the petitioner and describe the defects in the petition.  
 27 The petitioner may correct the defects and file the completed petition  
 28 with the county auditor. Upon receipt of a completed petition, the  
 29 county auditor shall forward a copy of the petition to:

30 (1) the assessor of the township in which the property is located;

31 (2) the owner;

32 (3) all persons who have, as of the date of the filing of the  
 33 petition, a substantial interest of public record in the property;

34 (4) the county property tax assessment board of appeals; and

35 (5) the state board of tax commissioners.

36 (d) Upon receipt of a petition described in subsection (b), the county  
 37 property tax assessment board of appeals shall, at the county property  
 38 tax assessment board of appeals' earliest opportunity, conduct a public  
 39 hearing on the petition. The county property tax assessment board of  
 40 appeals shall, by mail, give notice of the date, time, and place fixed for  
 41 the hearing to:

42 (1) the petitioner;



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(2) the owner;

(3) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property; and

(4) the assessor of the township in which the property is located.

In addition, notice of the public hearing on the petition shall be published one (1) time at least ten (10) days before the hearing in a newspaper of countywide circulation and posted at the principal office of the county property tax assessment board of appeals, or at the building where the meeting is to be held.

(e) After the hearing and completion of any additional investigation of the property or of the petitioner that is considered necessary by the county property tax assessment board of appeals, the county board shall give notice, by mail, to the parties listed in subsection (d) of the county property tax assessment board of appeals' recommendation as to whether the petition should be granted. The county property tax assessment board of appeals shall forward to the state board of tax commissioners a copy of the county property tax assessment board of appeals' recommendation and a copy of the documents submitted to or collected by the county property tax assessment board of appeals at the public hearing or during the course of the county board of appeals' investigation of the petition.

(f) Upon receipt by the state board of tax commissioners of a recommendation by the county property tax assessment board of appeals, the state board of tax commissioners shall review the petition and all other materials submitted by the county property tax assessment board of appeals and determine whether to grant the petition. Notice of the determination by the state board of tax commissioners and the right to seek an appeal of the determination shall be given by mail to:

(1) the petitioner;

(2) the owner;

(3) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property;

(4) the assessor of the township in which the property is located; and

(5) the county property tax assessment board of appeals.

(g) Any person aggrieved by a determination of the state board of tax commissioners under subsection (f) may file an appeal seeking additional review by the state board of tax commissioners and a public hearing. In order to obtain a review under this subsection, the aggrieved person must file a petition for appeal with the county auditor in the county where the tract or item of real property is located not more than thirty (30) days after issuance of notice of the state board of tax

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commissioners' determination. The county auditor shall transmit the petition for appeal to the state board of tax commissioners not more than ten (10) days after the petition is filed.

(h) Upon receipt by the state board of tax commissioners of an appeal, the state board of tax commissioners shall set a date, time, and place for a hearing. The state board of tax commissioners shall give notice, by mail, of the date, time, and place fixed for the hearing to:

- (1) the person filing the appeal;
- (2) the petitioner;
- (3) the owner;
- (4) all persons who have, as of the date the petition was filed, a substantial interest of public record in the property;
- (5) the assessor of the township in which the property is located; and
- (6) the county property tax assessment board of appeals.

The state board of tax commissioners shall give the notices at least ten (10) days before the day fixed for the hearing.

(i) After the hearing, the state board of tax commissioners shall give the parties listed in subsection (h) notice by mail of the state board's final determination.

(j) If the state board of tax commissioners decides to:

- (1) grant the petition submitted under subsection (b) after initial review of the petition under subsection (f) or after an appeal under subsection (h); and
- (2) waive the taxes, special assessments, interest, penalties, and costs assessed against the property;

the state board of tax commissioners shall issue to the county auditor an order directing the removal from the tax duplicate of the taxes, special assessments, interest, penalties, and costs for which the waiver is granted.

(k) After:

- (1) at least thirty (30) days have passed since the issuance of a notice by the state board of tax commissioners to the county property tax assessment board of appeals granting a petition filed under subsection (b), if no appeal has been filed; or
- (2) not more than thirty (30) days after receipt by the county property tax assessment board of appeals of a notice of a final determination of the state board of tax commissioners granting a petition filed under subsection (b) after an appeal has been filed and heard under subsection (h);

the county auditor shall file a verified petition and an application for an order on the petition in the court in which the judgment of sale was

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entered asking the court to direct the county auditor to issue a tax deed to the real property. The petition shall contain the certificate of sale issued to the county, a copy of the petition filed under subsection (b), and a copy of the notice of the final determination of the state board of tax commissioners directing the county auditor to remove the taxes, interest, penalties, and costs from the tax duplicate. Notice of the filing of the petition and application for an order on the petition shall be given, by mail, to the owner and any person with a substantial interest of public record in the property. A person owning or having an interest in the property may appear to object to the petition.

(l) The court shall enter an order directing the county auditor to issue a tax deed to the petitioner under subsection (b) if the court finds that the following conditions exist:

(1) The time for redemption has expired.

(2) The property has not been redeemed ~~by the payment of all taxes, special assessments, interest, penalties, and costs owed~~ **before the expiration of the period of redemption specified in section 4 of this chapter.**

(3) All taxes, special assessments, interest, penalties, and costs have been waived by the state board of tax commissioners or, to the extent not waived, paid by the petitioner under subsection (b).

(4) All notices required by ~~law~~ **this section and sections 4.5 and 4.6 of this chapter** have been given.

(5) The petitioner under subsection (b) has complied with all the provisions of law entitling the ~~purchaser~~ **petitioner** to a tax deed.

(m) A tax deed issued under this section is uncontestable except by appeal from the order of the court directing the county auditor to issue the tax deed. **The appeal must be filed not later than sixty (60) days after the date of the court's order.**

SECTION 16. IC 6-1.1-25-4.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4.5. (a) A purchaser, ~~or an the purchaser's~~ assignee, **or a county** is entitled to a tax deed to the property that was sold only if:

(1) the redemption period specified in section 4 of this chapter has expired;

(2) the property has not been redeemed **within the period of redemption specified in section 4 of this chapter;** and

(3) ~~not less than one (1) month; if the property is subject to section 4(a)(2), 4(a)(3), 4(a)(4), or 4(a)(5) of this chapter; or otherwise not less than three (3) months or more than five (5) months prior to the filing of the petition for a tax deed but not more than thirty (30) days after the expiration of the period of~~



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redemption specified in section 4(a)(1) of this chapter: **later than nine (9) months after the date of the sale:**

(A) the purchaser or **the purchaser's** assignee; or

(B) in a county ~~having a consolidated city~~, a county having a population of more than two hundred thousand (200,000) but less than four hundred thousand (400,000); or a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor;

gives notice of the sale ~~the date of expiration of the period of redemption~~, and the date on or after which a petition for the tax deed will be filed to the owner of record at the time of the sale and any person with a substantial property interest of public record in the tract or real property.

However, in a county having a consolidated city, the county auditor shall give notice not less than one (1) month before the expiration of the period of redemption (as specified in section 4(a)(3) of this chapter).

(b) The purchaser or assignee or, in a county having a consolidated city, a county having a population of more than two hundred thousand (200,000) but less than four hundred thousand (400,000); or a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor shall give the notice required by subsection (a) by sending a copy of the notice by certified mail to: ~~the parties described in subsection (a) at their last known addresses:~~

**(1) the owner of record at the time of the sale at the last address of the owner for the property sold, as indicated in the records of the county auditor; and**

**(2) any person with a substantial property interest of public record at the address for the person included in the public record that indicates the interest.**

However, if the address of the ~~owner or~~ person with a substantial property interest of public record ~~upon diligent inquiry is not indicated in the public record that created the interest and~~ cannot be located by **ordinary means** by the purchaser or assignee or, in a county ~~having a consolidated city~~, a county having a population of more than two hundred thousand (200,000) but less than four hundred thousand (400,000); or a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor ~~notice may be given~~ **give notice** by publication in the manner described in ~~IC 6-1.1-22-4(b) accordance with IC 5-3-1-4~~ once each week for three (3) consecutive weeks.



(c) The notice that this section requires shall contain **at least** the following:

(1) A statement that a petition for a tax deed will be filed on or after a specified date.

(2) The date on or after which the petitioner intends to petition for a tax deed to be issued.

(3) A description of the tract or real property shown on the certificate of sale.

(4) The date the tract or real property was sold at a tax sale.

(5) The name of the purchaser **or purchaser's assignee.**

(6) A statement that ~~the owner, occupant, or person with a substantial interest of public record is entitled to any person may~~ redeem the tract or real property.

(7) The **components of the** amount of the judgment for taxes, special assessments, penalties, and costs under IC 6-1.1-24-4.7 **required** to redeem the tract or real property.

(8) A statement that the purchaser or the purchaser's successors or assignees are entitled to reimbursement for additional taxes or special assessments on the tract or real property that were paid by the purchaser subsequent to the tax sale and before redemption, **plus interest.**

(9) A statement that the tract or real property has not been redeemed.

(10) A statement that the purchaser or the purchaser's assignee is entitled to receive a deed for the tract or real property if it is not redeemed before ~~a certain date:~~ **the expiration of the period of redemption specified in section 4 of this chapter.**

(11) A statement that the purchaser or the purchaser's assignee is entitled to reimbursement for costs described in ~~section 2(d)~~ **section 2(e)** of this chapter.

(12) **The date of expiration of the period of redemption specified in section 4 of this chapter.**

(13) A statement that if the property is not redeemed, the owner of record at the time the tax deed is issued may have a right to the tax sale surplus, if any.

(14) The street address, if any, or a common description of the tract or real property.

(15) The key number or parcel number of the tract or real property.

(d) The notice under this section must include not more than one (1) tract or item of real property listed and sold in one (1) description. However, when more than one (1) tract or item of real property is

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owned by one (1) person, all of the tracts or real property that are owned by that person may be included in one (1) notice.

**(e) A single notice under this section may be used to notify joint owners of record at the last address of the joint owners for the property sold, as indicated in the records of the county auditor.**

**(f) The notice required by this section is considered sufficient if the notice is mailed to the address required under subsection (b).**

**(g) The notice under this section and the notice under section 4.6 of this chapter are not required for persons in possession not shown in the public records.**

SECTION 17. IC 6-1.1-25-4.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4.6. (a) After the expiration of the redemption period specified in section 4 of this chapter and at least three (3) months after the issuance of the notice required in section 4.5 of this chapter: **but not later than six (6) months after the expiration of the period of redemption:**

(1) the purchaser, or the purchaser's assignee, **or the county** may; or

(2) in a county ~~having a consolidated city~~, a county having a population of more than two hundred thousand (200,000) but less than four hundred thousand (400,000); ~~or a county where the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor shall, upon the request of the purchaser or the purchaser's assignee;~~

file a verified petition in the same court and under the same cause number in which the judgment of sale was entered asking the court to direct the county auditor to issue a tax deed if the real property is not redeemed from the sale. Notice of the filing of this petition ~~and the date on or after which the petitioner intends to make application for an order on the petition~~ shall be given to the owner and any person with a substantial interest of public record in the tract or real property ~~same parties and~~ in the same manner as provided in section 4.5 of this chapter, except that, **if notice is given by publication**, only one (1) publication is required. ~~The county auditor shall be notified of the filing of this petition. The notice required by this section is considered sufficient if the notice is sent to the address required by section 4.5(b) of this chapter.~~ Any person owning or having an interest in the tract or real property may ~~appear in the proceeding on this file a written objection to the petition with the court not later than thirty (30) days after the date the petition was filed. If a written petition is timely filed, the court shall conduct a hearing on the objection.~~



(b) **Not later than sixty-one (61) days after the petition is filed under subsection (a),** the court shall enter an order directing the county auditor (on the production of the certificate of ~~purchase sale~~ and a ~~certified~~ copy of the order) to issue to the ~~purchaser or the purchaser's assignee~~ **petitioner** a tax deed if the court finds that the following conditions exist:

- (1) The time of redemption has expired.
- (2) The tract or real property has not been redeemed from the sale **before the expiration of the period of redemption specified in section 4 of this chapter.**
- (3) All taxes and special assessments, penalties, and costs have been paid.
- (4) The notices required by ~~law~~ **this section and section 4.5 of this chapter** have been given.
- (5) The petitioner has complied with all the provisions of law entitling the ~~purchaser or the purchaser's assignee~~ **petitioner** to a deed.

**The county auditor shall execute deeds issued under this subsection in the name of the state under the county auditor's name. If a certificate of sale is lost before the execution of a deed, the county auditor shall issue a replacement certificate if the county auditor is satisfied that the original certificate existed.**

(c) Upon application by the grantee of a valid tax deed in the same court and under the same cause number in which the judgment of sale was entered, the court shall enter an order to place the grantee of a valid tax deed in possession of the real estate. The court may enter any orders and grant any relief that is necessary or desirable to place or maintain the grantee of a valid tax deed in possession of the real estate.

(d) Except as provided in subsections (e) and (f), if the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure of the ~~petitioner purchaser or purchaser's assignee~~ to fulfill the requirements of this section, the court shall order the return of the purchase price minus a penalty of twenty-five percent (25%) of the amount of the purchase price. **Penalties paid under this subsection shall be deposited in the county general fund.**

(e) Notwithstanding subsection (d), in all cases in which:

- (1) either:
  - (A) the purchaser or the purchaser's assignee; or
  - (B) in a county ~~having a consolidated city, a county having a population of more than two hundred thousand (200,000) but less than four hundred thousand (400,000); or a county where~~



the county auditor and county treasurer have an agreement under section 4.7 of this chapter, the county auditor; has made a bona fide attempt to comply with the statutory requirements under subsection (b) for the issuance of the tax deed but has failed to comply with these requirements; and (2) the court refuses to enter an order directing the county auditor to execute and deliver the tax deed because of the failure to comply with these requirements;

the county auditor shall not execute the deed but shall refund the purchase money plus six percent (6%) interest per annum from the county treasury to the purchaser or the purchaser's successors or assignees. The tract or item of real property, if it is then eligible for sale under IC 6-1.1-24, shall be placed on the delinquent list as an initial offering under IC 6-1.1-24-6.

(f) Notwithstanding subsections (d) and (e), the court shall not order the return of the purchase price if:

- (1) the purchaser has failed to provide notice or has provided insufficient notice as required by section 4.5 of this chapter; and
- (2) the sale is otherwise valid.

(g) A tax deed executed under this section vests in the grantee an estate in fee simple absolute, free and clear of all liens and encumbrances created or suffered before or after the tax sale except those liens granted priority under federal law, and the lien of the state or a political subdivision for taxes and special assessments that accrue subsequent to the sale. However, the estate is subject to all easements, covenants, declarations, and other deed restrictions and laws governing land use, including all zoning restrictions and liens and encumbrances created or suffered by the purchaser at the tax sale. The deed is prima facie evidence of:

- (1) the regularity of the sale of the real property described in the deed;
- (2) the regularity of all proper proceedings; and
- (3) valid title in fee simple in the grantee of the deed.

(h) A tax deed issued under this section is incontestable except by appeal from the order of the court directing the county auditor to issue the tax deed **filed not later than sixty (60) days after the date of the court's order.**

SECTION 18. IC 6-1.1-25-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 5. (a) A tax deed issued under ~~section 4~~ of this chapter shall be issued substantially in the following form:

Whereas AB did, on the \_\_\_\_ day of \_\_\_\_\_, ~~19~~ **20** \_\_,



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produce to the undersigned, CD, auditor of the county of \_\_\_\_\_, in the state of Indiana, a certificate of sale dated the \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, 20\_\_\_\_, signed by EF who, at the date of the sale, was auditor of the county, from which it appears that AB on the \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, 20\_\_\_\_, purchased at public auction, held pursuant to law, the real property described in this indenture for the sum of \_\_\_\_\_ dollars and \_\_\_\_\_ cents, being the amount due on the real property for taxes, special assessments, penalties and costs for the years \_\_\_\_\_, namely: (here set out the real property offered for sale). Such real property has been recorded in the office of the \_\_\_\_\_ county auditor as delinquent for the nonpayment of taxes, and proper notice of the sale has been given. It appearing that AB is the owner of the certificate of sale, that the time for redeeming such real property has expired, that the property has not been redeemed, that ~~AB has demanded the undersigned has received a court order for the issuance of~~ a deed for the real property described in the certificate of sale, that the records of the \_\_\_\_\_ county auditor's office state that the real property was legally liable for taxation, and that the real property has been duly assessed and properly charged on the duplicate with the taxes and special assessments for the years \_\_\_\_\_;

Therefore, this indenture, made this \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, 20\_\_\_\_, between the State of Indiana, by CD, auditor of \_\_\_\_\_ county, of the first part, and AB, of the second part, witnesseth: That the party of the first part, for and in consideration of the premises, has granted and bargained and sold to the party of the second part, ~~his heirs and assigns~~, the real property described in the certificate of sale, situated in the county of \_\_\_\_\_, and State of Indiana, namely and more particularly described as follows: (here set out the real property sold), to have and to hold such real property, with the appurtenances belonging thereto, in as full and ample a manner as the auditor of said county is empowered by law to convey the same.

In testimony whereof, CD, auditor of \_\_\_\_\_ county, has hereunto set his **or her** hand, and affixed the seal of the board of county commissioners, the day and year last above mentioned.

WITNESS: \_\_\_\_\_ (L.S.)

Auditor of \_\_\_\_\_ County

STATE OF

INDIANA )

) S.S.

COUNTY OF \_\_\_\_\_ )

Before me, the undersigned, \_\_\_\_\_, in and for



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1 said county, this day, personally came the above named CD, auditor of  
 2 said county, and acknowledged ~~that he signed and sealed the execution~~  
 3 **of** the foregoing deed for the uses and purposes therein mentioned.

4 In witness whereof, I have hereunto set my hand and seal this \_\_\_\_  
 5 day of \_\_\_\_\_, ~~19~~ **20** \_\_\_\_.

6 \_\_\_\_\_ (L.S.)

7 (b) The clerk of the circuit court shall acknowledge the execution of  
 8 tax title deeds issued under this chapter.

9 SECTION 19. IC 6-1.1-25-7 IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 7. (a) ~~The holder of a~~  
 11 ~~certificate of sale, or his successors or assigns, shall have the county~~  
 12 ~~auditor execute a deed to the real property within two (2) years after the~~  
 13 ~~date of the sale. If the purchaser, or his~~ **the purchaser's** successors or  
 14 assigns, fails to have the county auditor execute a deed **file the petition**  
 15 **within that time the period provided in section 4.6 of this chapter, the**  
 16 **purchaser's lien against the real property terminates at the end of the**  
 17 **time that period. However, this section does not apply if the county or**  
 18 **city is the holder of the certificate of sale.**

19 (b) ~~If the purchaser does not provide notice prior to the expiration~~  
 20 ~~of the period of redemption as specified in IC 6-1.1-25-4.5 under~~  
 21 ~~section 4.5 of this chapter is not given within the period specified~~  
 22 ~~in section 4.5(a)(3) of this chapter, the purchaser's lien against the~~  
 23 ~~real property terminates thirty-one (31) days after the expiration of the~~  
 24 ~~redemption at the end of that period.~~

25 SECTION 20. IC 6-1.1-25-8 IS AMENDED TO READ AS  
 26 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 8. ~~(a)~~ Each county  
 27 auditor shall maintain a tax sale record on the form prescribed by the  
 28 state board of accounts. The record shall contain:

- 29 (1) a description of each parcel of real property ~~which that~~ is sold  
 30 under ~~IC 1971, 6-1.1-24; IC 6-1.1-24;~~  
 31 (2) the name of the ~~former~~ owner of the real property **at the time**  
 32 **of the sale;**  
 33 (3) the date of the sale;  
 34 (4) the name **and mailing address** of the purchaser **and the**  
 35 **purchaser's assignee, if any;**  
 36 (5) **the amount of the minimum bid;**  
 37 (6) the amount for which the real property is sold;  
 38 (7) **the amount of any taxes paid by the purchaser or the**  
 39 **purchaser's assignee and the date of the payment;**  
 40 (8) **the amount of any costs certified to the county auditor**  
 41 **under section 2(e) of this chapter and the date of the**  
 42 **certification;**



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- 1       ~~(6)~~ (9) the name of the person, if any, who redeems the property;  
 2       ~~(7)~~ (10) the date of redemption;  
 3       ~~(8)~~ (11) the amount for which the property is redeemed;  
 4       (9) (12) the date a deed, if any, to the real property is executed;  
 5       and  
 6       ~~(10)~~ (13) the name of the grantee in the deed.

7       SECTION 21. IC 6-1.1-25-10 IS AMENDED TO READ AS  
 8       FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 10. (a) If, before the  
 9       ~~execution of a deed~~ **court issues an order directing the county**  
 10       **auditor to issue a tax deed** to a tract or item of real property sold  
 11       under IC 6-1.1-24, it is found **by the county auditor and the county**  
 12       **treasurer** that the sale was invalid, the county auditor shall ~~not execute~~  
 13       ~~the deed, but shall~~ refund the purchase money **and all taxes and**  
 14       **special assessments on the property paid by the purchaser or the**  
 15       **purchaser's assigns after the tax sale** plus six percent (6%) interest  
 16       per annum **and, subject to any limitation under section 2.5 of this**  
 17       **chapter, any costs paid by the purchaser or the purchaser's assigns**  
 18       **under section 2 of this chapter** from the county treasury to the  
 19       purchaser, or the purchaser's successors or assigns. The tract or item of  
 20       real property, if it is then eligible for sale under IC 6-1.1-24, shall be  
 21       placed on the delinquent list as an initial offering under IC 6-1.1-24-6.

22       (b) A political subdivision shall reimburse the county for  
 23       interest paid by the county under subsection (a) if:

- 24       (1) the invalidity of the sale under IC 6-1.1-24 resulted from  
 25       the failure of the political subdivision to give adequate notice  
 26       of a lien to property owners; and  
 27       (2) the existence of the lien resulted in the sale of the property  
 28       under IC 6-1.1-24.

29       SECTION 22. IC 6-1.1-25-11 IS AMENDED TO READ AS  
 30       FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 11. (a) Subsequent to  
 31       the ~~execution of a deed~~ **issuance of the order directing the county**  
 32       **auditor to issue a tax deed** to real property sold under IC 6-1.1-24, a  
 33       county auditor shall refund the purchase money plus six percent (6%)  
 34       interest per annum from the county treasury to the purchaser, or ~~his~~ **the**  
 35       **purchaser's** successors or assigns, if it is found **by the court that**  
 36       **entered the order for the tax deed** that:

- 37       (1) the real property described in the deed was not subject to the  
 38       taxes for which it was sold;  
 39       (2) the delinquent taxes or special assessments for which the real  
 40       property was sold were properly paid before the sale; or  
 41       (3) the **legal description of the** real property ~~was properly~~  
 42       ~~redeemed before the execution of the deed in the tax deed is void~~



1           **for uncertainty.**

2           (b) ~~A person~~ **The grantee of an invalid tax deed**, including the  
3 county, to whom a refund is made under this section shall execute,  
4 acknowledge, and deliver to the owner a deed conveying whatever  
5 interest the purchaser may have acquired by the tax sale deed. If a  
6 county is required to execute a deed under this section, the deed shall  
7 be signed by the county board of commissioners and acknowledged by  
8 the clerk of the circuit court.

9           (c) A refund may not be made under this section while an action  
10 initiated under either section 14 or 16 of this chapter is pending.

11       SECTION 23. IC 6-1.1-25-12 IS AMENDED TO READ AS  
12 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 12. (a) If the conditions  
13 prescribed in subsection (b) of this section exist, the grantee of a deed  
14 executed under ~~section 4~~ **of this chapter**, or ~~his~~ **the grantee's**  
15 successors or assigns, acquires a lien on the real property in an amount  
16 equal to the sum of:

- 17           (1) the price paid at the tax sale for the real property;
- 18           (2) the taxes and special assessments paid by the grantee, or ~~his~~  
19 **the grantee's** successors or assigns, subsequent to the sale; and
- 20           (3) any amount due the grantee, or ~~his~~ **the grantee's** successors  
21 or assigns, as an occupying claimant.

22           (b) The grantee, or ~~his~~ **the grantee's** successors or assigns, shall  
23 acquire a lien under this section only if:

- 24           (1) the tax deed is ineffectual to convey title;
- 25           (2) the taxes or special assessments for which the real property  
26 was sold were properly charged to that property and were unpaid  
27 at the time of sale; and
- 28           (3) the real property has not been redeemed.

29           (c) The grantee, or ~~his~~ **the grantee's** successors or assigns, may  
30 recover from the ~~original~~ owner of the real property, the owner of a life  
31 estate in the real property, or any other person primarily liable for the  
32 payment of the taxes and special assessments upon the real property an  
33 amount equal to the sum of:

- 34           (1) the amount of the lien prescribed in this section;
- 35           (2) interest at the rate of ten percent (10%) per annum on the  
36 amount of the lien; and
- 37           (3) all other lawful charges.

38       SECTION 24. IC 6-1.1-25-13 IS AMENDED TO READ AS  
39 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 13. (a) When the  
40 grantee of an ineffectual tax deed, or ~~his~~ **the grantee's** successors or  
41 assigns, receives payment for the amount which ~~he~~ **the grantee** is  
42 entitled to receive under section 12(c) of this chapter, ~~he~~ **the grantee**

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1 shall execute, acknowledge, and deliver a deed releasing the lien on the  
 2 real property which ~~he~~ **the grantee** has acquired under section 12(a) of  
 3 this chapter. ~~He~~ **The grantee** shall execute and deliver the deed to the  
 4 person who makes the payment.

5 (b) If the grantee, or ~~his~~ **the grantee's** successors or assigns, fails to  
 6 execute, acknowledge, or deliver a deed as required by this section, the  
 7 person who makes the payment may initiate an action to quiet title to  
 8 the real property. When the payor initiates such an action, the grantee,  
 9 ~~his or the grantee's~~ successors or assigns, is liable for the court cost  
 10 and the payor's reasonable attorney fees which result from the action.

11 SECTION 25. IC 6-1.1-25-14 IS AMENDED TO READ AS  
 12 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 14. A person who holds  
 13 a deed executed under ~~section 4~~ of this chapter may initiate an action  
 14 in the ~~circuit court of the county where the real property is situated~~ **that**  
 15 **entered the judgment and order for sale** to quiet ~~his~~ **the** title to the  
 16 property. The plaintiff shall make the following persons defendants to  
 17 the action:

18 (1) persons who have or claim to have an interest in or a lien  
 19 against the property; and

20 (2) persons who, based on the real property records, appear to  
 21 have an interest in or a lien against the property.

22 An unrecorded instrument does not affect the plaintiff's title as  
 23 established by the court's decree.

24 SECTION 26. IC 6-1.1-25-15 IS AMENDED TO READ AS  
 25 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 15. With respect to an  
 26 action initiated under section 14 of this chapter, if the court finds that  
 27 the plaintiff's title is invalid and that ~~he~~ **the plaintiff** is not entitled to  
 28 a refund under section 11 of this chapter, the court shall ascertain the  
 29 amount due the plaintiff under section 12(c) of this chapter and from  
 30 whom the amount is due. The court shall order that the sum so  
 31 ascertained be paid within a reasonable time. If the payment is not  
 32 made, the court shall order that the real property be sold to pay the  
 33 judgment and that the right of redemption of the defendants to the suit,  
 34 and all persons claiming under them, is foreclosed. When real property  
 35 is sold under this section, the sheriff shall, upon payment of the  
 36 purchase money, execute and deliver to the purchaser a deed in fee  
 37 simple for the real property. The purchaser may then take immediate  
 38 possession of the real property, and there is no right of redemption  
 39 from the sale.

40 SECTION 27. IC 6-1.1-25-16 IS AMENDED TO READ AS  
 41 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 16. A person may, upon  
 42 appeal, defeat the title conveyed by a tax deed executed under ~~section~~



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4 of this chapter only if:

- (1) the tract or real property described in the deed was not subject to the taxes for which it was sold;
- (2) the delinquent taxes or special assessments for which the tract or real property was sold were paid before the sale;
- (3) the tract or real property was not assessed for the taxes and special assessments for which it was sold;
- (4) the tract or real property was redeemed before the expiration of the period of redemption (as specified in section 4 of this chapter);
- (5) the proper county officers issued a certificate, within the time limited by law for paying taxes or for redeeming the tract or real property, which states either that no taxes were due at the time the sale was made or that the tract or real property was not subject to taxation;
- (6) the description of the tract or real property was so imperfect as to fail to describe it with reasonable certainty; or
- (7) the notices required by IC 6-1.1-24-2, IC 6-1.1-24-4, and sections 4.5 and 4.6 of this chapter were not in substantial compliance with the manner prescribed in those sections.

SECTION 28. IC 32-2-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]:

#### **Chapter 8. Tax Sale Surplus Disclosure**

**Sec. 1. This chapter applies to a transfer of property made after June 30, 2001, that transfers ownership of the property from a delinquent taxpayer to another person after the property is sold at a tax sale under IC 6-1.1-24 and before the tax sale purchaser is issued a tax sale deed under IC 6-1.1-25-4.**

**Sec. 2. A taxpayer must file a tax sale surplus fund disclosure form in duplicate with the county auditor before the taxpayer may transfer title to property if:**

- (1) the taxpayer owes delinquent taxes on the property;
- (2) the property was sold at a tax sale under IC 6-1.1-24; and
- (3) a part of the tax sale purchaser's bid on the property was deposited into the tax sale surplus fund under IC 6-1.1-24-7.

**Sec. 3. A tax sale surplus fund disclosure form must contain the following information:**

- (1) The name and address of the taxpayer transferring the property.
- (2) The name and address of the person acquiring the property.



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- 1           (3) The proposed date of transfer.
- 2           (4) The purchase price for the transfer.
- 3           (5) The date the property was sold at a tax sale under
- 4           IC 6-1.1-24.
- 5           (6) The amount of the tax sale purchaser's bid that was
- 6           deposited into the tax sale surplus fund under IC 6-1.1-24-7.
- 7           Sec. 4. The tax sale surplus fund disclosure form must be signed
- 8           by the taxpayer transferring the property and acknowledged
- 9           before an officer authorized to take acknowledgments of deeds.
- 10          Sec. 5. The county auditor shall:
- 11           (1) stamp the tax sale surplus fund disclosure form to indicate
- 12           the county auditor's receipt of the form; and
- 13           (2) remit the duplicate to the taxpayer.
- 14          Sec. 6. The state board of accounts shall prescribe the tax sale
- 15          surplus fund disclosure form required by this chapter.
- 16          SECTION 29. IC 6-1.1-25-18 IS REPEALED [EFFECTIVE JULY
- 17          1, 2001].
- 18          SECTION 30. [EFFECTIVE JULY 1, 2001] (a) Except for
- 19          SECTIONS 28 and 29 of this act, this act applies to:
- 20           (1) real property sold at tax sale under IC 6-1.1-24, as
- 21           amended by this act, after June 30, 2001; and
- 22           (2) redemption under IC 6-1.1-25, as amended by this act, of
- 23           real property described in subdivision (1).
- 24          (b) This SECTION expires December 31, 2003.

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1846, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BAUER, Chair

Committee Vote: yeas 22, nays 0.

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HB 1846—LS 6698/DI 52+

